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Korea and Thailand buy U. S. leaf

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U. S. DEPARTMENT OF AGRICULTURE

WORLD TOBACCO ANALYSIS

FOREIGN MARKETING

APRIL 1957

Foreign Agriculture Report No. 96

UNITED STATES DEPARTMENT OF AGRICULTURE Washington 25, D. C.

Foreign Agricultural Service

World Tobacco Analysis
FOREIGN MARKETING ISSUE

The Cover

In the fall of 1956 several official delegations came to the United States as a result of market promotional projects initiated by the Foreign Agricultural Service under section 104 (a) of Public Law 480. These projects are being carried out and financed cooperatively by the U.S. tobacco trade, the foreign tobacco industry, and the Foreign Agricultural Service.
Mr. Jung Shick Yoo of the Korean Monopoly and Mr. Deng Sriyong of the Thailand Monopoly, together with an FAS marketing specialist, are shown on the cover inspecting U.S. leaf tobacco in the U. S. Department of Agriculture laboratory, for the purpose of setting up buying standards.
Korea and Thailand both purchased U.S. leaf tobacco under P.L. 480.
Other foreign buyer delegations that visited the U.S. Department of Agriculture in 1956 were those of the United Kingdom, the Netherlands, Japan, France, and Finland.

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This publication was prepared in the Tobacco Division of the Foreign Agricultural Service, U. S. Department of Agriculture. The Division administers the tobacco export and import programs of the Department and reports economic analysis of world markets, trade, and production.
TOBACCO DIVISION--Robert A. Owen, Director

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MARKETING

...is an integral part of production--the part that gives purpose to all that has gone before. Leaf tobacco is of no value to the producer unless he can find a market for it. In early years this entailed only trading between producer and user. Today there is a vast gulf between the producer and the final user--a gulf calling for an extensive and complicated marketing system.

...of the farmer's raw commodity requires storing, transporting, processing, financing, reselling, and final delivery in the form and at the time and to the places that consumers desire. Marketing must function to:

(1) move tobacco to consumers at the lowest possible cost;
(2) make a living for people working in it and yield reasonable returns on the capital and management skills devoted to it;
(3) and, though recognizing that the incomes and appetities of consumers are limited, to find and develop new markets.

...is expected by the consumer to keep the goods flowing continuously into the retail outlets handiest to him. This must be done preferably at prices that allow him a rising standard of living. That goal requires just as much of the farmer as it does of the marketing system. This is particularly apparent in the leaf tobacco industry now; it is witnessing an unexpected, quick, and drastic change in leaf demand as a result of the recent consumer switch to the filter-tip cigarette. It is essential that the U.S. tobacco farmer return to the old varieties and produce at a reasonable price if he is to maintain his foreign market.

...farm products is the result of a derived demand. The demand works backward from the consumer to the retailer to the wholesaler to the processor to the leaf handler to the farmer. This is also true of the foreign markets for U.S. tobacco. Despite an intervening web of trade difficulties that sometimes considerably modify the free-market demand, the marketing function, if it is to succeed, must be to find and serve the final user.

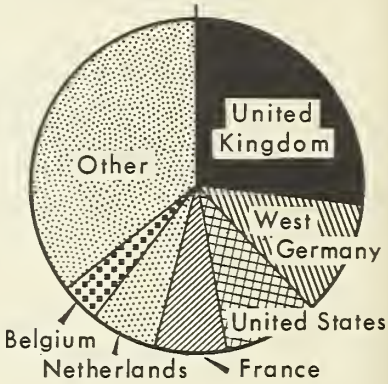
So, to plan ahead, the farmer must know his market.

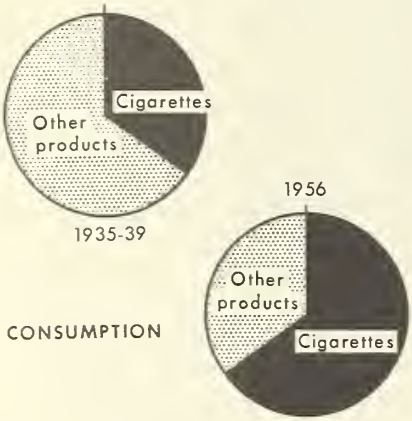
PRODUCTION

...is important. About one-fifth of world tobacco production moves in international trade. Exports of leaf have increased substantially in recent years and now amount to about 1.4 billion pounds annually, but, as a percent of total production, exports are below the prewar period. Many importing countries have increased domestic production substantially and are less dependent than formerly on supplies of leaf from abroad.

...is the world. Practically every country in the world imports some leaf tobacco. A number of important markets such as the United Kingdom, the Netherlands, the Scandinavian countries, and Ireland produce no tobacco and import all their requirements. Many other countries, including West Germany, France, Australia, Austria, New Zealand, and Switzerland, import a large proportion of their tobacco needs. A considerable group of countries, including the United States, India, Italy, and Japan import tobacco for blending purposes and at the same time export leaf to other countries.

MARKETS

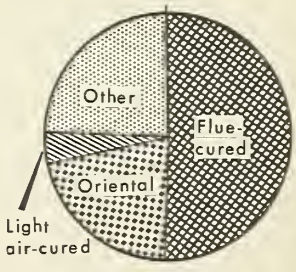




CONSUMPTION

...is mainly leaf for cigarettes. Cigarettes are becoming of increasing importance as the end product. Cigarette output in the free world has more than doubled since prewar and now accounts for two-thirds of the tobacco products consumed. Production of cigarette tobaccos, however, possessing desirable characteristics for cigarette manufacture has not been possible in many important consuming countries. This is especially true with respect to Western Europe which takes roughly 75 percent of world tobacco imports and must obtain the great bulk of its cigarette leaf requirements from countries outside the area.

...trends toward milder types. Growing consumer preference for cigarettes, noted since the end of the first world war, has changed the pattern of demand for leaf tobacco. Light cigarette leaf - flue-cured, light air-cured, and oriental - now make up three-fourths of the free world export trade. This is just the reverse of the situation prior to the first world war when dark and cigar tobaccos made up 75 percent of world trade.



EXPORT TYPES

...of flue-cured include the United States. The United States has nearly one-half of the world crop and 60 percent of the world exports of this kind of leaf. Its competitive position in flue-cured tobacco has weakened considerably from the 1935-39 period, when it grew two-thirds of the world crop and accounted for 85 percent of the world exports. The U.S. share in world exports of all kinds of leaf (39 percent in 1955) combined is also below prewar and may be expected to decline further as other tobacco exporting countries step up production.

...include the increasingly important British Commonwealth countries of Rhodesia, Canada, and India. In these countries, combined flue-cured production rose to about 450 million pounds in 1956, up 65 percent from the 1947-51 average. Total flue-cured exports from these countries increased from an average of 40 million pounds for the years 1935-39, to 130 million for 1947-51, and to 235 million in 1956.

...are joined by new surplus producers of flue-cured. These producers are Italy and Brazil, and more recently the Philippines, Thailand, Pakistan, and Argentina have developed surpluses of flue-cured tobacco and are actively attempting to push export sales of their low-grade, inexpensive leaf. Communist China has moved into a surplus position and poses a potential threat to free world outlets for flue-cured leaf.

...are growing more Burley and other light air-cured leaf. Current production of Burley outside the United States (mainly in West Germany, Italy, and Spain) now approximates 110 million pounds, compared with 23 million prewar. Japan is also expanding Burley production. Burley production in the U.S. is down from an average of about 550 million pounds during 1947-51 to about 500 million.

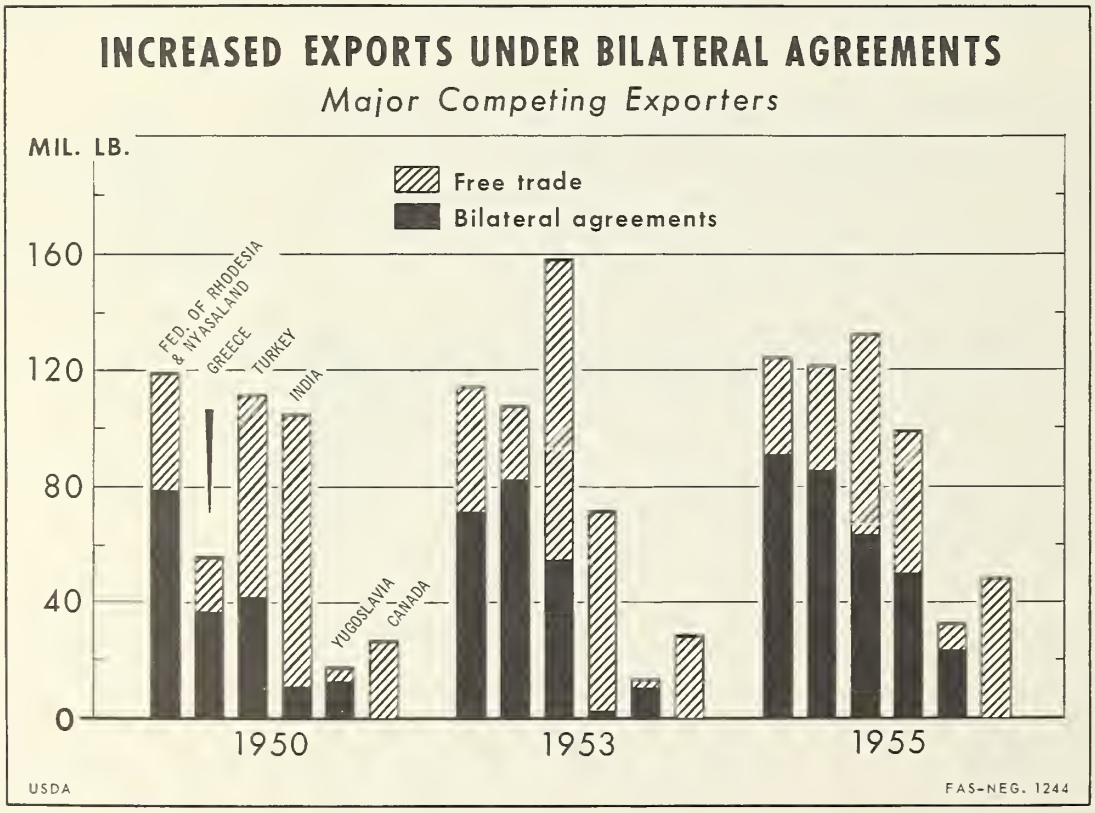
...include the dark tobacco producing countries of Nyasaland, the Dominican Republic, Colombia, Brazil, and Algeria. Largely because of low production costs and prices, these countries are supplying most of the world exports of dark leaf. Exports are dropping.

...of oriental leaf include Greece, Turkey, Yugoslavia, and several countries in the Soviet Bloc. World production of oriental leaf was up from an average of 729 million pounds in 1947-51 to 930 million in 1956. Oriental is a very competitive type of leaf.

...include price. Generally, U. S. cigarette leaf, particularly the better grades, has been competitively priced. Recent price increases for traditional export grades, however, are causing foreign customers to look elsewhere for their tobacco imports. Canadian and Rhodesian prices have risen along with those of the U. S. until recently.

...include quality, in most countries. U. S. leaf stands out in such important quality characteristics as body, flavor, and aroma. Competitors are making strenuous efforts to improve quality. Only Canadian cigarette leaf approaches the U. S. in quality but Rhodesia supplies a suitable filler.

...are related to governmental action by foreign markets. Many U. S. competitors are increasingly favored by restrictions imposed by foreign governments to keep imports from the United States as low as possible. Restrictions include: bilateral trading arrangements of various sorts, preferential tariffs, monopoly practices, licensing and exchange controls and import quotas. Bilateral arrangements are becoming of greater importance as a method of moving tobacco abroad from such countries as Greece, Turkey, the Rhodesian Federation, Yugoslavia, and India.



...is on the increase in major competing foreign producing countries. Overproduction has led to attempts by governments of these countries to move excess leaf into export channels by any means available. The United States is attempting to solve its overproduction problem mainly by the use of rigid controls on production.

...by the Rhodesian Federation has involved the extensive use of long-term government-sponsored guaranteed purchase agreements covering Rhodesian leaf, such as those with the United Kingdom, Australia, and the Union of South Africa. A compensation-type agreement is in effect with France to move Rhodesian leaf in exchange for French luxury goods. Commonwealth tariff preference gives Rhodesian leaf an important advantage in the U. K. market. In a further effort to push export sales, the Rhodesian Tobacco Association has requested the government to appoint trade commissioners (marketing specialists) to cover foreign areas, especially Western Europe, with full power to negotiate export sales.

...in India includes the use of bilateral agreements, aimed at moving surplus low-grade leaf abroad. Agreements are in effect with some 20 countries, including a number in the Soviet Bloc. In 1955, about 45 percent of India's total tobacco exports moved under these agreements. The country also has tobacco export sales representatives abroad with authority to make contracts for export sales.

...has aided Greece and Turkey to expand exports, mainly by means of government-negotiated trading arrangements with many overseas markets, in exchange for industrial goods. The reported prices received for tobacco moving under these agreements often is above its true value, because it pays for imported products sold at highly inflated prices. Turkey has aided its producers to export at lower prices by a cost-of-production bonus equivalent to about 4 U. S. cents per pound, and tobacco farmers are exempt from income tax. In Greece, purchase and marketing of the tobacco crop is financed to a considerable extent by government credit at special interest rates.

...by monopoly countries with an exportable surplus usually involves cut price sales or barter.

...in the United States consists only of assistance to private traders who themselves consummate all export sales. A government agency, the Foreign Agricultural Service, maintains a staff of agricultural attaches abroad, and a local staff of marketing specialists who travel extensively abroad. None of these is empowered to negotiate actual sales; their primary function is to report on marketing opportunities and work to ease trade restrictions. Public Law 480 permits export sales above normal "dollar" sales to be made for local currency. Consequently, countries short of dollar exchange have been able to purchase U. S. leaf. Sec. 104(a) of P.L. 480 permits the use of up to 10 percent of the foreign currencies received for market development purposes.

...has been implemented by 30 agreements for tobacco signed with 18 countries from the beginning of the program through March 15, 1957. This was for a total of $102.5 million of U. S. leaf tobacco and about 145 million pounds.

...has moved U. S. leaf tobacco to the United Kingdom, Austria, Brazil, Burma, Chile, Ecuador, Finland, France, Indonesia, Israel, Italy, Japan, Korea, Pakistan, Republic of China, Spain, and Thailand.

...has developed new postwar markets in Korea and Burma.

...allows leaf tobacco to be sold that must be used for increased consumption or to increase the stock level.

...has increased dollar sales. In fiscal 1956, sales for dollars exceeded total exports in fiscal 1955 by about 44 million pounds.

...has a Section, 104(a), which allows the use of a portion of foreign currencies to develop new markets for U. S. farm products.

...foreign currency is used for promotional purposes, such as to (a) help advertise and expand the consumption of tobacco products which use a high percentage of U. S. leaf; (b) pay expenses of foreign tobacco officials for travel to the United States to learn more about processing, manufacturing, and distribution of U. S. tobacco; (c) help train research personnel and help with initial operating expenses of pilot plants for improvement of storage or processing of U. S. tobacco; (d) participate in trade fairs; and (e) pay for research studies, such as a market analysis survey and a consumer preference study.

...foreign market development projects specifically include (1) A study of the factors affecting demand for U. S. tobacco in Spain. (2) Visits to the United States by key officials of the Thai Tobacco Monopoly, the French Monopoly, the Korean Monopoly, and Finland. Projects now well under way include a consumer preference study of tobacco products in Italy, and an extensive promotional campaign in Japan to push sales of cigarettes containing U. S. leaf. (It appears that the latter will be effective in boosting sales of U. S. leaf in that country). (3) A pilot research plant project in Thailand to study storage and proper blending of tobacco. (4) Tobacco exhibits at the international trade fairs held at Barcelona, Rome, Osaka, and Bangkok. Projects being planned, and expected to be under way prior to June 1957, include (1) a market analysis study in Burma; (2) market analysis and promotion in France; and (3) a visit to the United States by key officials of the Austrian Monopoly.

U. S. TOBACCO EXPORTS, FISCAL YEAR 1956

Export of unmanufactured tobacco from the United States during fiscal 1956 totaled 578 million pounds (export weight) - up 25 percent from fiscal 1955 - and the largest in nine years. Most kinds of tobacco showed increases, although flue-cured accounted for most of the gain. Factors stimulating tobacco exports during fiscal 1956 included: (1) export programs under Public Law 480; (2) increasing world consumption of cigarettes made from light tobacco; (3) low stocks abroad in relation to consumption; (4) generally high levels of economic activity in most foreign countries; and (5) improved gold and dollar reserves position abroad.

Several new records for individual kinds of tobacco were established in fiscal 1956:

(1) The value of all leaf exports at nearly $380 million (including foreign currency sales) was the highest in history - up 24 percent from the preceding fiscal year.

(2) Dollar export sales (excluding those sales made for foreign currency) were at an all-time high.

(3) The export value of flue-cured tobacco at $328 million set a new record and was up 26 percent from fiscal 1955.

(4) The quantity of flue-cured exports also was the largest of record, even exceeding the high level of fiscal 1947 when a very large movement to the United Kingdom for stock rebuilding purposes occurred.

(5) Value of Burley exports at $16.7 million was 14 percent larger than for fiscal 1955 and the quantity rose 4 percent despite a large increase in prices for some traditional export grades.

These all-time records for U.S. tobacco exports were achieved in spite of sharply increasing production of competitive tobaccos abroad, and stepped-up efforts by foreign tobacco industries to boost their export sales.

Significant gains in exports to the following markets occurred in fiscal 1956: United Kingdom, West Germany, Switzerland, Indonesia, Japan, Finland, and Italy. Exports to the United Kingdom at 204 million pounds included about 34 million under P.L. 480, but regular dollar sales also increased from the previous fiscal year. Stocks of U.S. leaf in the United Kingdom were increased substantially during the year. A stock build-up also aided in boosting sales to West Germany where consumption of U.S. leaf appears to be rising slowly due to stepped-up demand for cigarettes, especially filter-tipped. Increasing output of Maryland-type cigarettes in Switzerland to meet larger domestic and export demand resulted in sharply larger purchases of U.S. Maryland leaf by that country.

Increased exports to Indonesia, Japan, Italy, and Finland were partly due to movement under the provisions of P.L. 480. Exports to Korea at 6 million pounds during fiscal 1956 (all under P.L. 480) were the first reported to that country during the postwar period.

U. S. exports of unmanufactured tobacco, by kinds, fiscal years 1955 and 1956

(Export weight)

Kind of Tobacco	Fiscal Year 1955	Fiscal Year 1956
	Million Pounds	Million Pounds
Flue-cured	380.2	491.5
Burley	28.5	29.8
Dark-fired Ky.-Tenn.	22.1	23.1
Virginia fire-cured 1/	3.8	5.3
Maryland	8.1	11.6
Green River	3.0	.7
One Sucker	2.2	.1
Black Fat, etc.	5.2	4.8
Cigar wrapper	3.7	4.5
Cigar binder	1.5	2.4
Cigar filler	2/	.5
Perique	.1	.1
Stems, trimmings, and scraps	3.1	3.4
Total	461.5	577.8

1/ Includes sun-cured.
2/ Less than 50,000 pounds.

U. S. TOBACCO EXPORTS, CALENDAR YEAR 1956

Total exports (declared weight) of unmanufactured tobacco from the United States in calendar 1956 amounted to 510.4 million pounds (value $333.5 million), compared with the high level of 540.3 million pounds (value $356.4), in 1955. The volume of exports last year was 5.5 percent lower than for the previous year and the value declined 6.4 percent. There have been only four years, however, since the end of World War II, when exports were larger than in 1956, including the tremendous exports of 1946 which were mainly for stock rebuilding purposes.

In 1956, tobacco exports made under the provisions of Public Law 480 total some 64 million pounds, compared with 42 million in 1955. Last year Public Law 480 programs accounted for nearly 13 percent of total exports compared with about 8 percent in calendar 1955. Flue-cured exports, at 420.4 million pounds (declared weight) in 1956 were about 8 percent below those for 1955, chiefly because of a significant drop in the movement to the United Kingdom and the Philippines. Other countries purchasing less flue-cured tobacco last year included: Australia, Japan, Ireland, and

UNITED STATES: Exports of unmanufactured tobacco by principal countries of destination in 1956 1/

(Declared Weight)

Country of Destination	Flue-cured	Burley	Kentucky-Tennessee Fire-cured	Virginia Fire-cured 2/	Maryland	Green River	One Sucker	Black Fat	Cigar Wrapper	Cigar Binder	Cigar Filler	Perique	Trimmings Stems & Scrap	Total
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
United Kingdom	154,522	25	331	449	--	451	--	29	10	--	--	36	512	156,365
France	2,293	364	3,542	--	177	--	--	--	--	--	2	--	--	6,378
Italy	1,873	973	3,710	42	--	--	--	--	--	--	--	--	--	6,598
Netherlands	24,743	1,594	5,063	417	831	2	--	--	257	238	20	2	--	33,167
Spain	2,804	221	--	--	320	--	--	--	8	913	--	--	66	4,332
Ireland	8,472	--	335	--	--	8	--	--	--	--	--	--	--	8,815
Belgium & Luxembourg	15,550	2,576	1,062	46	751	268	329	--	251	536	7	--	105	21,481
Denmark	10,507	687	832	7	11	--	--	--	59	114	--	7	200	12,424
Norway	5,232	1,167	206	1,773	2	12	--	--	1	--	--	15	72	8,480
Portugal	3,254	4,572	61	40	--	--	--	--	--	--	--	--	--	7,927
Sweden	9,875	2,149	1,421	220	--	--	--	--	23	150	--	--	519	14,357
Switzerland	3,511	231	2,326	245	7,134	--	--	--	25	--	--	4	--	13,476
West Germany	57,298	6,465	690	337	1,700	--	--	--	2,287	695	3	--	176	69,651
Austria	7,705	614	139	327	--	--	--	--	14	142	--	--	30	8,971
Free Territory of Trieste	793	--	--	--	751	--	--	--	--	--	--	--	--	1,544
Canada	104	2	49	--	--	--	--	--	399	74	3	2	103	736
Mexico	1,381	2,050	--	--	27	--	--	--	9	--	--	--	--	3,467
Uruguay	2,395	203	28	6	--	--	--	7	1	--	--	--	52	2,692
Venezuela	318	18	--	--	--	--	--	--	1	--	--	--	--	337
Brazil	--	--	--	--	--	--	--	--	133	--	--	--	--	133
Philippines, Republic of	1,573	546	--	--	--	--	--	--	27	--	--	--	163	2,309
Hong Kong	3,244	441	20	--	--	18	--	--	--	--	--	--	--	3,723
Japan	5,784	--	--	--	--	--	--	--	--	--	--	4	--	5,788
Australia	22,867	77	68	207	--	--	--	--	--	2	--	--	3	23,224
New Zealand	6,742	5	154	202	--	--	--	--	1	1	--	--	--	7,105
Indonesia	17,308	-	355	--	48	110	--	--	--	--	--	--	--	17,821
India	1,664	--	--	2	--	--	--	--	3	--	--	--	--	1,669
Pakistan	2,674	--	--	--	--	--	--	--	--	--	--	--	--	2,674
Thailand	8,793	--	--	--	--	--	--	--	--	--	--	--	--	8,793
Vietnam, Laos, Cambodia	6,579	15	1,334	--	--	--	--	--	6	13	297	--	37	8,281
Belgian Congo	484	279	201	--	--	50	--	--	--	--	--	--	--	1,014
Nigeria	1,117	--	--	--	--	--	13	2,563	--	--	--	--	--	3,693
Gold Coast	--	--	18	--	--	--	--	1,215	--	--	--	--	--	1,233
Algeria	417	97	50	--	--	--	--	--	14	--	429	--	--	1,007
Tunisia	505	503	--	--	254	--	--	--	--	--	--	--	--	1,262
Angola	324	174	5	--	--	17	32	--	--	--	--	--	--	552
British East Africa	994	--	--	--	--	--	--	--	--	--	--	--	--	994
Egypt	4,900	1,145	158	--	--	--	--	--	--	--	--	--	--	6,203
Union of South Africa	56	8	--	--	--	321	1,746	--	--	--	--	--	--	2,131
Other	21,784	1,998	2,028	80	53	51	206	822	389	248	2	--	1,890	29,551
Total Quantity	420,439	29,199	24,186	4,400	12,059	1,308	2,326	4,636	3,918	3,126	763	70	3,928	510,358
Declared Value, 1,000 Dollars	279,822	17,151	12,553	2,720	7,579	454	624	3,680	5,937	2,207	232	68	514	333,541

1/ Preliminary.
2/ Includes Virginia sun-cured.

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

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Belgium. Larger shipments than in 1955 went to the following important markets: West Germany, Indonesia, Austria, Netherlands, and Sweden.

Aside from flue-cured, declines also occurred in Burley, Green River, Black Fat, and cigar wrapper. Kentucky-Tennessee fire-cured exports rose from 21.4 million pounds in 1955 to 24.2 million last year - a gain of 13 percent. Maryland exports were at an extremely high level in 1956 - 12.1 million pounds - up 44 percent from the previous year and the largest since 1927. Swiss purchases of Maryland leaf at 7.1 million pounds accounted for nearly 60 percent of total Maryland exports. The movement of 1.7 million pounds of One Sucker leaf to the Union of South Africa boosted the year's export figure for this kind of tobacco 35 percent above 1955.

Developments at home and abroad point to a rather substantial reduction in exports for both fiscal and calendar 1957. Many U. S. grades of flue-cured and Burley have shown extremely sharp price increases during the past two seasons. In the case of flue-cured, the 1956 crop included a high proportion of certain varieties lacking in flavor and aroma, not desired by export outlets. (Steps have been taken by the Department of Agriculture to correct the latter). Also, major competing countries are expanding their use of bilateral trading arrangements to move surplus tobacco into export channels, in exchange for industrial raw materials and manufactured goods. Stocks of U. S. leaf have been built up in a number of important importing countries, which will allow considerable latitude in making 1957 purchases. Surplus stocks of low-grade and relatively inexpensive leaf exist in such countries as the Philippines and Thailand. Problems arising from the Suez situation may result in smaller availabilities of exchange for tobacco purchases in the United States.

U. S. EXPORTS OF MANUFACTURED TOBACCO, CALENDAR YEAR 1956

United States exports of all tobacco products combined during calendar 1956 were valued at $65.8 million - up 5 percent from the $62.6 million value of 1955 exports. A decrease in the volume and value of exports of smoking tobacco in bulk last year was more than offset by increases for all other tobacco products.

Cigarettes

In 1956, exports of cigarettes totaled 15.7 billion pieces, valued at $58.9 million. This compared with 15.1 billion (valuation $55.5 million in 1955), and reversed the downward trend in cigarette exports evident for the past several years. The principal markets for cigarettes in 1956 included the following: Venezuela, Tangier, Sweden, British Malaya, Hong Kong, Republic of Panama, France, Spain and Belgium-Luxembourg. Substan-

tial increases from the 1955 level occurred in the cases of Venezuela (up 207 million), Sweden (up 90 million), and Tangier (up 529 million).

Cigars and Cheroots

The 1956 exports of cigars and cheroots totaled 8.3 million pieces, valued at $377,000. This compared with 5.8 million pieces (valuation $262,000) in 1955. Canada remained the largest cigar export market, taking nearly 3 million pieces, or more than one-third of the total.

Smoking Tobacco in Packages

Total 1956 exports of smoking tobacco in packages amounted to 607,000 pounds valued at $670,000. Canada, Denmark, Sweden, Italy, and the French Pacific Islands were the major outlets for this product. The total for the year was up about 10 percent in both volume and value from 1955.

Smoking Tobacco in Bulk

Spain, which took 1.5 million pounds of smoking tobacco in bulk last year, was the major market. Other important outlets included Mexico, Haiti, Republic of Panama and the Philippines. Total 1956 exports of smoking tobacco in bulk amounted to 5.7 million pounds, valued at $4.4 million.

Chewing Tobacco and Snuff

Exports of chewing tobacco and snuff in 1956 totaled nearly 1.7 million pounds, compared with 1.6 million in 1955. Valuation was up to $1.4 million last year from $1.3 million in 1955. Australia, which took 995,000 pounds, and the Philippines, which purchased 419,000 pounds, accounted for the bulk of exports.

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(A complete breakdown on U. S. exports of both unmanufactured tobacco and tobacco products for the calendar year 1955 and several prior years, showing all destinations, appeared in Circular FT-4, March 1956. A copy may be obtained upon request to the Tobacco Division, Foreign Agricultural Service, U. S. Department of Agriculture, Washington 25, D. C.)

UNITED STATES: Exports of manufactured tobacco products by principal countries of destination in 1956 1/

Country	Cigarettes	Cigars and Cheroots	Smoking Tobacco in Packages	Smoking Tobacco in Bulk	Chewing Tobacco and Snuff
	Million pieces	1,000 pieces	1,000 pounds	1,000 pounds	1,000 pounds
Canada	320.1	2,962	203	--	15
Mexico	45.2	--	--	625	--
Panama, Republic of	478.8	388	--	604	78
Canal Zone	97.4	583	2	--	24
Bermuda	61.3	360	--	--	--
Cuba	336.5	--	--	--	--
Haiti	34.1	2	--	624	--
Dominican Republic	95.6	--	--	390	--
Netherlands Antilles	327.9	68	1	--	11
Colombia	251.4	--	--	--	--
Venezuela	1,957.3	65	--	--	--
Ecuador	288.8	--	--	348	--
Peru	152.1	--	--	--	--
Bolivia	2.4	--	--	420	--
Uruguay	141.0	--	--	31	--
Iceland	167.4	250	7	--	--
Sweden	768.9	2	38	--	--
Norway	167.8	15	1	--	--
Denmark	356.2	78	52	26	--
United Kingdom	38.5	--	14	--	10
Netherlands	398.2	--	5	3	--
Belgium & Luxembourg	486.7	3	9	6	--
France	777.4	109	26	--	--
West Germany	515.2	12	9	--	--
Switzerland	372.5	343	11	13	--
Spain	503.4	--	--	1,524	--
Italy	390.9	--	27	--	6
Lebanon	124.5	--	--	--	--
Kuwait	358.1	35	--	--	--
Saudi Arabia	122.3	339	--	--	--
State of Bahrein	102.5	8	--	--	--
Vietnam, Laos & Cambodia	3.4	--	--	199	--
British Malaya	687.2	--	4	--	--
Philippines, Republic of	96.4	--	--	607	419
Macao	104.1	--	--	--	--
Hong Kong	862.8	--	14	--	--
Nansei & Nanpo Islands	434.7	10	--	--	--
Australia	.6	--	--	152	995
French Pacific Islands	17.2	--	34	--	34
French Morocco	214.5	240	3	2	--
Tangier	1,536.9	315	--	--	--
Spanish Africa	187.7	--	--	--	--
Union of South Africa	39.0	456	--	--	--
Rhodesia & Nyasaland, Fed. of	--	143	--	--	--
Other	1,291.5	1,544	147	101	69
Total Quantity	15,716.4	8,330	607	5,675	1,661
Declared Value, 1,000 Dollars	58,912	377	670	4,423	1,423

1/ Preliminary.

Compiled in the Foreign Agricultural Service from records of the Bureau of the Census.

AUSTRALIAN TOBACCO MARKET

Australia, the fourth ranking customer for U. S. tobacco exports, is likely to remain a major market in the future so long as leaf with the traditional body, flavor and aroma can be supplied. Tobacco consumption has increased substantially since the immediate postwar years and neither the relatively small domestic production nor the leaf available for export in other countries show much promise of replacing U. S. tobacco. Domestic production has not increased enough in the postwar period to cover larger manufacturing requirements and the proportion of leaf taken from other sources is unlikely to increase substantially over its present level owing to its similarity to the somewhat neutral Australian tobacco.

Immediately prior to World War II, the United States supplied practically all of Australia's tobacco imports. However, dollar shortages and other considerations induced the Australians in the early postwar years to encourage other suppliers. As a result, U. S. leaf accounted for only 69 percent of Australian tobacco imports in 1955. However, the total quantity of U. S. leaf taken rose from about 20 million pounds in 1947 to more than 35 million in 1955, owing to an increase in total Australian tobacco imports from 21 to 52 million pounds during this period.

Imports from the Rhodesias and Canada, which were relatively unimportant prewar, now supply a substantial portion of the Australian market. Canada, which receives no special import preference, supplied 2.9 million pounds of Australia's 1955 tobacco imports compared with less than .2 million in 1950. In the case of the Rhodesias, however, there is a purchase agreement in which Australia guarantees to take a minimum quantity or percentage of the crop annually. The present guaranteed quantity is 9.7 million pounds or 6.5 percent of the crop, whichever is smaller. Encouraged by this agreement, imports from the Rhodesias rose from a prewar average of .1 million pounds to 12 million in 1955. Rhodesian leaf also enjoys a tariff preference equivalent to 8.4 U. S. cents per pound.

Total output of manufactured tobacco jumped from 36 million pounds in fiscal 1952 (year beginning April 1) to nearly 46 million in fiscal 1955, with a major change in composition. Cigarettes, which accounted for about one-third of total output in the early postwar years, made up more than one-half the products manufactured in fiscal 1955. Future increases in the amount of tobacco manufactured probably will show a lower year-to-year rate of gain than for the fiscal years 1952 through 1955.

The major question in the Australian market is the amount of imported leaf that will be displaced by increased domestic production. Domestic production in 1956 of 6 million pounds was nearly double the 1947-51 average production, and the 1957 crop is expected to reach 11 million pounds. However, usings of leaf in manufacture increased about 15 million pounds (farm sales weight) from the 1947-51 average to 1955. This is substantially larger than the increase in domestic tobacco production.

The increase in domestic production was stimulated by prices more than double the prices received by U.S. growers. During 1956, Australian farmers refused prices equivalent to a crop average of $1.26 U.S. per pound. To stimulate higher prices the government announced an increase in the amount of domestic leaf required to qualify for tariff concessions. Following this increase in mixing requirements the price is reported to have averaged about $1.35 U.S. per pound. Australian manufacturers can afford to pay these prices because imported leaf, mixed with a specified proportion of domestic tobacco, receives a tariff concession equivalent to 17 U.S. cents per pound.

The new regulations to become effective July 1, 1957, specify an increase in the domestic percentage from 7½ to 12½ percent for cigarettes and from 17½ to 21 percent for other manufactured tobacco.

It is questionable whether this program can obtain substantially higher prices for domestic leaf than are now being paid. It also seems probable that without the stimulation of a substantial price rise, domestic production will probably, at the best, increase at an annual rate sufficient to supply the annual increase in requirements of tobacco manufacturers.

PHILIPPINE TOBACCO MARKET

The outstanding feature of the Philippine tobacco market is the phenomenal rise in domestic production of flue-cured Virginia-seed type of tobacco. Booming domestic production of this type has shifted the Philippines in two years from a substantial importer to a producer with a severe surplus problem, which it is attempting to alleviate through export sales. Tobacco produced from flue-cured seed, encouraged by generous price supports, has increased from less than 5 million pounds harvested in 1954 to a forecast of 65 million pounds in 1957. As a result, exports of U.S. tobacco to the Philippines have declined from 32.5 million pounds in 1952 to 2.3 million in 1956. With the present Philippine policy of requiring cigarette manufacturers to absorb all of the domestic crop before being permitted to import leaf and the oversize Virginia crop produced domestically, it is probable that the Philippines will remain a minor market for U.S. tobacco unless a drastic change occurs. Also, since January 1, 1956, tobacco exported to the Philippines has been subject to a 30 percent tariff increase.

Expansion of domestic flue-cured production has not been without problems. Foremost among these is the uncontrolled increase that has come as a result of highly attractive price supports with little incentive for quality and no controls on production. Forecasts place the 1957 crop at more than double annual consumption of about 30 million pounds.

Lack of quality controls and an unrealistic price schedule by grades has resulted in the production of large amounts of tobacco considered unusable by manufacturers. As all Virginia-seed tobacco is price-supported, large quantities have been grown for which there were no flue-curing facilities, and much of it was sun-cured. This, together with much improperly handled tobacco, as is natural with such rapid expansion, has glutted the market with large supplies of "overpriced" leaf. Many remedies have been proposed, the most popular being to export the surplus. This, however, has not received much

encouragement in world markets. A proposal with much more promise was recently defeated in the legislature. This would have been to make a more realistic schedule of price supports or to simply remove the tobacco of questionable value from all supports.

The future of this market is extremely uncertain. Present policies have led to a substantial surplus position with much of the tobacco unusable for cigarettes and apparently not desired in world markets. Also, the policy of severely restricting imported leaf for blending appears to have depressed sales of Virginia-type cigarettes. While total cigarette output was increasing, reports indicate that output of Virginia-type cigarettes declined from about 12 billion in 1955 to about 11.7 billion in 1956.

Government consideration of these factors, especially consumer resistance and the probable loss in tax revenues, might result in the import of relatively small quantities of tobacco for blending. This would depend upon development of a satisfactory method of controlling the domestic surplus.

UNITED KINGDOM TOBACCO MARKET

Imports of unmanufactured tobacco into the United Kingdom in 1956 totaled about 320 million pounds, compared with 343.8 million in 1955. At the same time, however, imports from the Federation of Rhodesia and Nyasaland, and India were about 15 and 12 percent, respectively, above the 1955 levels of 72 and 36 million pounds. Imports from the United States totaled about 162 million pounds or 9 percent below the 1955 level of 179 million. Takings of U.S. flue-cured in 1956 were about 159 million pounds, compared with nearly 175 million in 1955. Combined imports of other U.S. leaf, as well as total takings of oriental and other dark types, were below 1955.

UNITED KINGDOM: Imports of unmanufactured tobacco, 1956 with comparisons,

(Dry weight)

Country	Average 1947-51	1955 1/	1956 1/
	Million pounds	Million pounds	Million pounds
United States	176.7	178.6	161.9
Federation of Rhodesia and Nyasaland	61.2	72.1	83.0
India	34.5	36.4	40.7
Canada	17.1	40.0	22.2
Greece & Turkey	12.7	4.6	4.2
Netherlands 2/	1.4	7.5	4.7
Other Commonwealth	2.3	1.1	1.0
Other Foreign	1.7	3.5	2.4
Total	307.6	343.8	320.1

1/ Preliminary. 2/ Re-exports.

Commonwealth preference on leaf tobacco, which is equivalent to 21.5 U.S. cents per pound, has been an important factor in aiding Commonwealth countries to gain an increasing share of the United Kingdom market. The purchase arrangement (London Agreement) between British manufacturers and Rhodesian tobacco growers has been an important factor in larger imports from Southern Rhodesia.

Total factory consumption of unmanufactured tobacco, as indicated by gross clearances from bond, was about 1.5 million pounds larger than the 1955 level of 298 million. This includes leaf for the manufacture of domestic consumption as well as for the export trade. Total leaf usings for the domestic market, as indicated by net clearances, were about 3 million pounds larger than the 1955 level of 236 million. Leaf usings in products for export, other than cigarettes, were seriously affected by the Suez crisis.

Total 1956 usings of flue-cured were about 5 million pounds larger than the 1955 level of 267 million, while oriental and dark types were about 15 and 14 percent, respectively, below the 1955 levels of 11.6 and 19.8 million pounds. Factory consumption of U.S. flue-cured leaf during 1956 was approximately the same as the 1955 level of 144 million pounds. Increased usings of U.S. flue-cured in products for export offset a slight decline in the domestic market. Usings of Rhodesian and Indian flue-cured were about 6 and 4 percent larger than the 1955 levels of 58 and 34 million pounds, respectively. Usings of Canadian flue-cured were about the same as 1955 - 27 million pounds.

The United States' share in total factory tobacco consumption in the United Kingdom in 1956 represented about 48.6 percent compared with 49.1 in 1955 and 48.8 in 1954. Factory consumption of U.S. flue-cured last year accounted for 53 percent of total flue-cured usings compared with an average of 54 percent for the 3 preceding years. On the other hand, usings of Rhodesian flue-cured have increased substantially and in 1956 accounted for 22.6 percent of total flue-cured consumption. Canadian and Indian leaf now represent about 10 and 13 percent, respectively, of total flue-cured usings. Factory consumption of both oriental and dark types of leaf declined during 1956, representing slightly more than 6 and 3 percent, respectively, of total leaf usings. Since September 1955, total usings of U.S. dark tobaccos have exceeded other dark leaf in absolute volume.

Total stocks of unmanufactured tobacco in the United Kingdom as of December 31, 1956 were about 45 million pounds greater than the 1955 level of 476 million. Stocks of all tobaccos, except dark and cigar types, were larger than a year ago. Flue-cured stocks were about 5 percent larger than the December 31, 1955 level of 454 million pounds. Stocks of U.S. flue-cured rose from 251 to about 265 million pounds; Rhodesian from 97 to about 109 million; Indian, from 54 to about 59 million. Canadian declined from 41 to about 34 million. Total flue-cured stocks were equivalent to about 19.2 months' requirements, compared with 18.9 months' a year ago.

The level of U.S. flue-cured shipments to the United Kingdom during 1957 may be affected by the Suez problem which has increased dollar costs of essential raw materials, and may leave less dollar exchange available for tobacco purchases. The purchase of 87.7 million pounds (farm sales weight) of Rhodesian leaf from the 1956 crop and the size of the 1957 flue-cured crop may affect the level of imports from the United States. Currently, the Rhodesian Tobacco Association is aggressively trying to convince the British Board of Trade to increase the non-dollar content of leaf tobacco in the British cigarette. This has increased from 10 to 39 percent during the postwar period without too much consumer resistance. British manufacturers have affirmed that they are already taking up all the Rhodesian leaf which meets their requirements. The British Board of Trade has also stated that the use of less than 61 percent "dollar" tobacco in cigarettes would change their character and flavor to the extent that consumption would almost certainly decline. The quality of Rhodesian leaf has been improving, and if the Rhodesian interests are successful in their campaign to further improve quality and boost exports, the level of U. S. exports to the important United Kingdom market will be affected adversely.

WEST GERMAN TOBACCO MARKET

Duty-paid imports of unmanufactured tobacco by West German manufacturers during the first 11 months of 1956, totaling 148.1 million pounds, were about 9 percent larger than the January-November 1955 level of 136.2 million and approximated the 1955 calendar year total of 149.3 million. The pattern of German leaf imports continued its shift toward oriental and non-U.S. flue-cured tobaccos despite the lower average price paid for U. S. leaf.

Imports of oriental tobaccos, totaling 52.0 million pounds, were 4 percent greater than the January-November 1955 level of 49.9 million despite the reduction in takings from Greece and Turkey. Combined imports from Bulgaria, Yugoslavia and the U.S.S.R. were 4.3 million pounds larger than the 2.9 million imported during the first 11 months of 1955. Takings of United States leaf, totaling 54.8 million pounds, were about 2 percent larger than for the corresponding period of 1955. Imports of non-U.S. flue-cured were about 2.1 million pounds larger than the January-November 1955 level of 3.8 million. Increased imports from Japan, Communist China, Thailand, Canada, Italy, and the Rhodesian Federation more than offset reduced takings from India.

Prices paid for U. S. leaf by German manufacturers, as indicated by duty-paid imports, declined 4 percent in 1956 from the 1955 average price of 67.2 U.S. cents per pound. Prices paid by German buyers for United States flue-cured as indicated by U.S. export statistics, during July-December 1956 were about 5 U.S. cents per pound below the 1956 fiscal year (July-June) average of 63.0 U.S. cents per pound. Reported prices paid for Greek and Turkish leaf in 1956 exceeded the average price paid for U.S. leaf. Other prices paid by German cigarette manufacturers for leaf from various sources averaged slightly higher than in 1955.

WESTERN GERMANY: Average prices paid for unstemmed leaf tobacco based on duty-paid imports in terms of U.S. cents per pound, 1952-56

Country of Origin	1952	1953	1954	1955	1956 1/
United States	60.1	62.4	65.9	67.2	64.4
Turkey	47.5	50.8	57.0	60.3	66.9
Greece	56.7	51.8	53.4	58.6	66.9
Yugoslavia	40.2	37.4	42.4	44.8	50.2
Bulgaria	25.8	25.3	30.4	52.5	47.6
Soviet Union	--	--	50.8	45.6	48.4
Southern Rhodesia	47.2	43.6	33.6	2/38.8	2/45.7
Italy	35.6	55.6	35.0	36.1	36.9
India	36.7	34.1	39.8	25.4	30.5
Communist China	44.2	39.0	37.1	35.6	31.4
Canada	--	--	--	49.0	47.3

1/ January-November 1956. 2/ Federation of Rhodesia and Nyasaland.
Source: Der Aussenhandel Der Bundesrepublik Deutschland.

Total usings of cigarette leaf in calendar 1956 were about 15 million pounds larger than the 1955 level of 128 million (farm-sales-weight basis). Usings of U.S. cigarette leaf accounted for the largest absolute gain in volume due to the upswing in output of filter-tip cigarettes which must of necessity contain a high portion of flavorful U.S. leaf. However, as a proportion of the total cigarette leaf market, usings of U.S. cigarette leaf were slightly below the 1955 level of 43 percent. Total usings of oriental leaf, as a percentage of total cigarette leaf consumption, actually declined and reversed the upward trend in percentage of usings evident since 1950. Increased usings of other imported tobaccos, mainly non-U.S. flue-cured from Canada, Communist China, Japan, Thailand, India, and the Federation of Rhodesia and Nyasaland, more than offset the decline in the proportionate usings of oriental leaf. Total usings of these tobaccos were about 50 percent greater than the 1955 level and represented about 8 percent of total usings in contrast to less than 2 percent in 1951.

There is a strong demand in West Germany for grades and qualities of U. S. leaf having desirable body, flavor, and aroma. The percentage usings of U. S. leaf in cigarettes is somewhat governed by price and the availability of supplies in this country which meet German requirements. Production of less desirable varieties of flue-cured for export encourages purchases of neutral foreign flue-cured at prices lower than in the United States. Although the quality of U. S. Burley remains the best available, sharply rising prices of U. S. Burley are placing increasing pressure on German buyers to keep the purchases at a minimum. These developments have occurred despite the greatly improved holdings of gold and dollar reserves in the Federal Republic.

PRODUCTION OF TOBACCO IN SOUTHERN HEMISPHERE

The world production forecast for leaf tobacco to be harvested the first half of 1957 is 2,475 million pounds, up 3.6 percent above production in the first half of 1956. The total includes a 3 percent increase in flue-cured tobacco production, an increase of 4 percent in Burley, a 6 percent rise in dark air-cured and 9 percent gain in oriental. The total acreage for harvest is up approximately 4 percent from a year ago. A summary of the production by types for harvest the first half of 1957 is as follows:

Flue-cured

The forecast of 610 million pounds of flue-cured indicates a rise of 3 percent from 1956. The important decreases indicated for the Federation of Rhodesia and Nyasaland (14 percent) and Argentina (15 percent) are practically the only declines anticipated in the first half of 1957.

The largest increases are forecast for the Philippines (35 percent) and Brazil (18 percent) with smaller but significant rises also forecast for Australia, Thailand, Venezuela, Indonesia, and Burma.

Burley

The over-all production of Burley to be harvested the first half of the 1957 calendar year is forecast at 14.3 million pounds - up about 4 percent from the level in 1956. Noteworthy increases are forecast for Mexico and Argentina. A decrease is indicated for the Federation of Rhodesia and Nyasaland.

Other Light Air-cured

Production of other light air-cured types is estimated at 37.1 million pounds, practically the same as that harvested in the first half of 1956.

Dark Air-cured

The forecast for dark air-cured tobacco to be harvested the first half of the calendar year is 1,234 million pounds, an increase of about 6 percent over that of last year. Rises are estimated for Argentina (mostly in Criollo with slight increases in Bahia and Habano), Honduras, Brazil, Mexico, and the Philippines. No firm forecast is available for the Dominican Republic. The 1957 production for that country is estimated at 40 million, which is well above that of 1956 when storm damage was heavy but is about equal to the 1950-55 levels. Among the indicated decreases in production were those for Puerto Rico, Brazil (twist tobacco) and Pakistan.

Light Sun-cured

The forecast of 159 million pounds for light sun-cured tobacco production indicates no change compared with last year's production. An expected increase of 6 percent in Mexico is offset by a probable decrease in India.

Dark Sun-cured

Estimated production of dark sun-cured at 363 million pounds is practically the same as that in 1956. The decreases forecast for Cuba's Vuelta Abajo (which includes some wrapper, binder and filler) and Semi-Vuelta (filler) and the dark types in the Federation of Rhodesia and Nyasaland are offset by expected increases for Cuba (Remedios), Burma, and Paraguay.

Fire-cured

Estimated production of fire-cured tobacco for harvest the first half of the year is placed at 41.3 million pounds compared with 42.1 million in 1956.

Oriental (Turkish) and Semi-Oriental

Production forecast at 16.1 million pounds for the first half of the year is up 9 percent from that of last year with most of the increase anticipated in the Federation of Rhodesia and Nyasaland. About 75 percent of the total production of Oriental and semi-Oriental types harvested in the first half of the calendar year is semi-Oriental varieties grown in Pakistan.

LEAF TOBACCO: Estimated production by kind harvested in the first half of calendar year 1957, with comparisons - farm sales weight 1/

Kinds	Average 1935-39	Average 1947-51	1956	1957 2/
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Flue-cured	89,110	279,555	592,520	610,273
Burley	409	9,007	13,768	14,311
Other light air-cured	23,690	24,542	36,996	37,099
Dark air-cured	1,718,572	1,122,706	1,166,796	1,234,251
Light sun-cured	130,384	135,565	159,045	159,320
Dark sun-cured	146,979	186,169	363,360	362,614
Fire-cured	18,541	29,775	42,056	41,300
Oriental	1,455	2,746	14,800	16,100
Total	2,129,140	1,790,065	2,389,341	2,475,268

1/ Farm sales weight is about 10 percent above the dry weight normally reported in manufacturing and export statistics. 2/ Preliminary.

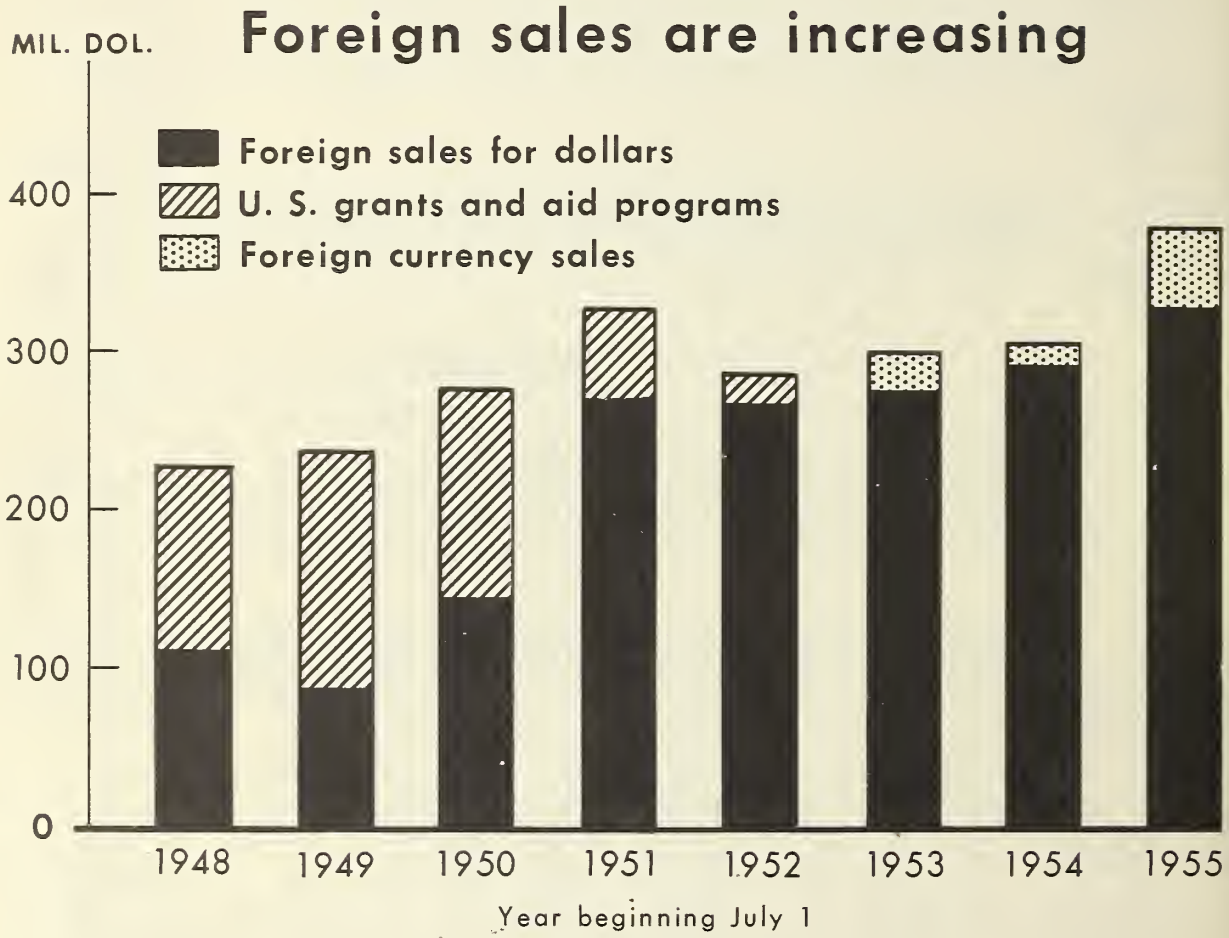
TOBACCO: Estimated acreage and production by kinds in specified countries harvested in first half of calendar year 1957 (Farm Sales Weight 1/)

Country	Total		Production by Kinds							
	Area	Production	Flue-cured	Burley	Other Light Air-cured	Dark Air-cured	Light Sun-cured	Dark Sun-cured	Fire-cured	Oriental
	1,000 acres	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Costa Rica	3	2,205	200	5	--	--	2,000	--	--	--
El Salvador	3	1,740	1,140	450	--	150	--	--	--	--
Guatemala	7	3,250	600	525	--	2,125	--	--	--	--
Honduras	9	7,200	550	75	--	6,575	--	--	--	--
Mexico	94	83,775	3,968	1,213	--	35,274	43,320	--	--	--
Nicaragua	2	1,984	862	160	--	962	--	--	--	--
Panama	2	800	--	--	--	800	--	--	--	--
Cuba	140	95,121	--	--	--	--	--	95,121	--	--
Dominican Republic	50	40,000	--	--	--	40,000	--	--	--	--
Haiti	9	1,500	--	--	--	1,500	--	--	--	--
Jamaica	2/	750	50	--	--	700	--	--	--	--
Puerto Rico	32	28,000	--	--	--	28,000	--	--	--	--
Argentina	118	97,770	24,250	1,210	14,000	55,010	--	--	2,200	1,100
Bolivia	3	2,100	--	--	--	2,100	--	--	--	--
Brazil	470	335,099	76,059	3,307	--	255,733	--	--	--	--
Chile	7	14,012	728	591	--	--	--	12,693	--	--
Colombia	62	67,380	--	--	--	67,380	--	--	--	--
Paraguay	21	20,000	--	--	--	5,000	15,000	--	--	--
Uruguay	2	960	--	--	--	960	--	--	--	--
Venezuela	8	14,097	10,362	2,390	--	1,345	--	--	--	--
Kenya	2/	600	300	--	--	300	--	--	--	--
Tanganyika	2/	4,875	3,500	--	--	275	--	--	1,100	--
Uganda	9	3,630	930	--	--	400	--	--	2,300	--
Madagascar	27	9,700	--	--	7,900	1,800	--	--	--	--
Mauritius	1	816	617	--	199	--	--	--	--	--
Mozambique	7	3,300	3,000	--	--	--	--	300	--	--
Nigeria	61	29,000	3,000	--	3,500	22,500	--	--	--	--
Federation of Rhodesia and Nyasaland	264	185,300	153,500	2,300	--	--	--	2,500	25,000	2,000
Union of South Africa	84	44,300	20,000	--	4,500	18,800	--	--	--	1,000
Burma	137	114,480	2,480	--	--	--	--	112,000	--	--
Ceylon	15	8,700	3,600	--	--	3,400	--	--	1,700	--
Pakistan	238	268,500	11,500	--	7,000	75,000	14,000	140,000	9,000	12,000
India	930	590,000	128,000	2,000	--	375,000	85,000	--	--	--
Vietnam, Laos and Cambodia	43	31,000	1,000	--	--	30,000	--	--	--	--
Indonesia, Republic of	426	150,230	25,000	--	--	125,230	--	--	--	--
Philippines, Republic of	189	105,344	65,000	--	--	40,344	--	--	--	--
Taiwan	20	34,000	34,000	--	--	--	--	--	--	--
Thailand	154	57,365	19,777	--	--	37,588	--	--	--	--
Australia	13	11,500	11,500	--	--	--	--	--	--	--
New Zealand	4	4,885	4,800	85	--	--	--	--	--	--
Total for All Countries Shown	3,664	2,475,268	610,273	14,311	37,099	1,234,251	159,320	362,614	41,300	16,100

1/ Farm Sales Weight is about 10 percent above the average dry weight, which is normally reported in export trade statistics.
2/ Not available.

Foreign Agriculture Service. Official estimates of foreign countries, reports from Agricultural Attaches and other U. S. representatives abroad, results of official research, and other information.

Foreign buyers take ONE-THIRD of U. S. leaf consumption



TWO-FIFTHS of world tobacco exports come from the United States

FAS-NEG. 1245

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